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CABINET COMMITTEE ON INTERNATIONAL NARCOTICS CONTROL

DRUG SITUATION IN SOUTHEAST ASIA

16 August 1972

The remote Golden Triangle area of northern Thailand, western Laos and eastern Burma, constitutes the world's major producing area for illicit opium (an estimated 700 tons). The vast majority of that opium is consumed in Southeast Asia by the hill tribesmen who cultivate it, and by ethnic Chinese living in urban centers of Asia, particularly Hong Kong. A very small percentage of this opium is transformed into heroin and much of this, too, is consumed by users in Southeast Asia. Some of the heroin which formerly supplied our troops in Vietnam is now being directed towards addicts in this country, but our best estimates are that only a small share -- probably less than 10 percent -- of the heroin flowing to our shores now originates in Southeast Asia.

Thus, Southeast Asia presently constitutes a significant but secondary source of our existing drug problem. However, as drug control efforts improve elsewhere in the world, it looms as a serious potential source. It is also quite clear that the region has a drug problem of its own which demands a solution.

It was with these two concerns in mind that the Cabinet Committee on International Narcotics Control in November of 1971 directed our Chiefs of Mission in Vietnam, Laos, Thailand, and other principal Southeast Asian countries to develop Narcotics Control Action Plans.

In attempting to block the flow of narcotics across borders and within the area, the governments of Southeast Asia must cope with several unique problems, such as internal security, a difficult topography, and a value system which tolerates drug use and trade by segments of their societies.

The governments of Laos and South Vietnam are engaged in wars of national defense, while the governments of Burma and Thailand are threatened by insurgent groups which control or harass large areas of the opium growing regions. In spite of their commitment to solving the drug problem, these governments have limited resources and trained personnel available for narcotics control. In addition, the lack of internal security hampers police action and intelligence operations against traffickers. The Government of Burma, for example, does not have effective administrative control over significant portion

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of the area where most Southeast Asian poppies are grown.

The topography of the Golden Triangle area is mountainous, wild, and uncontrollable. When one smuggling route is uncovered and plugged by police and customs teams, the traffickers can easily detour to alternate routes and modes of transportation. We need only look at the difficulties that our own well-trained and equipped law enforcement agencies have in blocking narcotics traffic across our clearly-defined, militarily-secure border with Mexico to gain a better appreciation of the difficulties in Southeast Asia.

Opium is an accepted part of the area's culture and has been regarded as a legitimate commodity of commerce for centuries under both indigenous and colonial governments. For the hill tribes, opium is still the principle source of medicinal relief for endemic diseases, and is also the most lucrative crop to sell or barter for basic necessities. Furthermore, addicts are not ostracized in Southeast Asia since violent criminal action is rarely necessary to secure narcotics. An addict is usually looked upon as a fool, not a threat to society, and drug abuse is viewed there much as we regard drunkenness or alcoholism here.

Despite these problems, U.S. Government efforts to encourage the governments of the region to take effective action against the international drug traffic have led to substantial progress, particularly in Thailand, Laos, and Vietnam. The passage last November of an anti-narcotics law in Laos -- the first in its history -- and the recent announcement of South Vietnam's tough, new law providing the death penalty for major traffickers, are good examples of changes in attitude. The Royal Thai Government's new Special Narcotics Operation is a mobile strike force that has been making the life of drug traffickers in northern Thailand difficult, costly, and dangerous during recent months. A description of the current situation in Burma, Laos, Thailand, and Vietnam follows.

BURMA

Most of Burma's illicit opium production (estimated at 400 tons annually) and trafficking takes place in remote, mountainous areas of the Shan and Kachin States where the hill tribes have grown opium poppies for centuries. These areas are plagued with insurrection as well, and insurgency and opium

have become almost inextricably mixed, for the drug trade brings arms to the rebels. Insurgencies defy government law enforcement efforts in many areas and even in areas under government control, divert government attention and limited resources away from vigorous anti-narcotics activities. As long as the Burmese continue to place highest priority on their internal security needs, the major source of illicit opium in Southeast Asia will continue unchecked.

Since the Burmese Government adheres to a rigid policy of nonalignment and minimal international involvement, it is extremely wary of foreign influence and designs. The Burmese have been extremely reluctant to accept outside advice or assistance on narcotics problems from other nations, including the U.S. On the other hand, recent discussions between representatives of the United Nations and the Burmese offer the hope of increased multilateral cooperation on their drug problem in the near future.

LAOS

Prior to the late 1960's, as much as 100 tons of opium was thought to be produced annually in Laos. Since then, the war situation has forced many hill people into lowland areas with the result that production has dropped to about 30 tons. Almost all that amount remains in Laos where it is consumed by local addicts. However, Laos is used as a transit point for caravans moving opium from Burma to Thailand, and thus continues to play a part in the international trafficking picture.

One year ago, Prime Minister Souvanna Phouma welcomed our suggestion that we develop a bilateral narcotics control action plan for Laos. In November, 1971, the first Narcotics Control Law in the kingdom's history went into effect. It prohibits any commercial transaction involving opium or its derivatives, including heroin.

The U.S.-Lao narcotics control program has already registered a number of significant actions. Over the past five months, operations by customs, local police, and a special narcotics unit have seized more than 660 pounds of opium, some of it on military aircraft. They have also discovered substantial amounts of heroin and acetic anhydride. The new narcotics unit in Vientiane has fearless and honest leadership which has made

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it the primary factor in recent seizures.

THAILAND

Last September, the Thai Government signed a joint memorandum with the U.S. on drug control, and they created a multi-agency subcommittee to map out increased efforts aimed at suppressing illicit narcotics traffic. The three major smuggling rings responsible for drug trafficking to U.S. troops in Vietnam have now been smashed.

Chinese Irregular Forces (CIF) remain in the border area and have been active in the processing, trade, and transportation of opium in Burma and northern Thailand. The Thai Government has undertaken a program to resettle certain CIF forces in Thailand. In return for land and resettlement assistance, these groups agreed to turn over their opium stocks and cease drug trafficking activity. Twenty-six tons obtained from the CIF were burned by the Thai Government on March 7, 1972. The resettlement project involved a contribution of \$850,000 from the Thai Government and \$1 million from the U.S. Government.

Thailand was the first country to sign a major agreement with the new United Nations fund for drug abuse control. The program will be financed by \$2 million in U.N. funds and the equivalent of \$5 million by the Thai Government, and its immediate objectives include crop substitution and reduction in drug addiction throughout the country.

A special narcotics organization (SNO), which is an elite, mobile strike force operating in northern Thailand, began operations in April, 1972. This joint U.S.-Thai effort has made 15 arrests and seized more than 8 1/2 tons of opium in the past two months. These raids confiscated 3,500 pounds of opium with trucks and chemicals on June 10, a heroin laboratory with 50 pounds of heroin on July 18, and the largest seizure in Thai history -- more than 5,000 pounds of opium -- on July 23 and 24 in the Mai Sai area of northern Thailand.

SOUTH VIETNAM

Vietnam is neither a grower nor a major trafficker in illicit narcotics. Moreover, with the departure of U.S. combat troops, the demand for heroin has been reduced signifi-

cantly. At the same time, with narcotics abuse growing among ethnic Vietnamese, President Thieu has taken a tough stand on narcotics by signing a new law demanding the death penalty for organized trafficking in hard drugs (August 12, 1972).

Although preoccupied with national security problems, the Vietnamese police have organized a 60-man narcotics squad which arrested several important traffickers last month, breaking up a major smuggling organization. Officials have stepped up customs inspections, raids on opium dens, and general harassment of dealers and users. The stepped-up activity of Vietnamese prosecutors and the judiciary system in narcotics matters has helped to control the situation.

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THE PRESIDENT EXPANDS DRUG ABUSE PREVENTION PROGRAM

The President, labeling the drug abuse program "America's Public Enemy Number One," has increased by one-fourth the current federal budget to finance the Administration's anti-narcotics program.

The President sent to Congress an urgent recommendation for a supplemental drug abuse prevention appropriation of \$135.2 million for Fiscal Year 1973. The sum raised his budget from \$594 million to \$729 million. The expanded program tops federal anti-drug expenditures of \$65.7 million in FY 69 by 1,000%.

PROGRAM PROGRESS TO DATE

The Bureau of Narcotics and Dangerous Drugs reported at mid-summer a sharp decline in the supply of heroin along the East Coast in the last 12 months.

The wholesale price of heroin almost doubled. In Boston, the cost of one gram of heroin jumped from \$418 to \$785 in the year. (A gram is equal to about one twenty-eighth of an ounce.)

The quality of the heroin available in New York City declined in purity from 5.1% to 3.1%. Addicts, deprived of heroin, stood in line at methadone maintenance centers in Washington.

In Baltimore, the heroin shortage boosted prices from \$10 to \$15 a bag. The amount of pure heroin in each bag decreased from 4% to 1%. Police gave credit for the decline in the supply to local drug enforcement and to seizure abroad of large caches of heroin headed for the East Coast.

LAW ENFORCEMENT ACHIEVEMENTS

The heroin drought -- albeit perhaps a temporary curtailment of the supply -- coincided with marked success in anti-narcotics law enforcement in FY 72.

Domestic heroin seizures by the BNDD and the U.S. Customs Bureau increased from 1,161 pounds in FY 71 to 1,626 pounds in FY 72.

Total seizures in the entire program attack on the illicit drug traffic almost doubled in the 12-month period:

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an increase from 241,663 pounds seized in FY 71 to 472,640 pounds in FY 72.

The street value of the illegal traffic did double: from \$1,062,944,008 to \$2,131,561,834.

Arrests rose: 12,947 in FY 71 to 16,144 in FY 72.

LAW ENFORCEMENT AT HOME

The Customs Bureau is responsible for interdicting the drug traffic at U.S. borders. The Bureau seized 181,974 pounds of heroin, opium, cocaine and other drugs in FY 71. Seizures sharply increased to 302,645 pounds in FY 72. Arrests edged up from 7,810 to 7,860. Sixty percent of the Bureau's arrests are made along the Mexican border.

The Bureau seized 16,240,449 dosage units of dangerous drugs in FY 72 compared to 6,310,060 in FY 71.

Customs now has 532 patrol officers. The President's recommended supplementary appropriation will increase the force to 862.

Bureau of Narcotics and Dangerous Drugs domestic seizures accounted for 49,264 pounds of heroin, cocaine and other drugs in FY 72. The figure was more than three times the 14,430 pounds seized in FY 71.

BNDD also seized 207,094,393 dosage units of hallucinogens, depressants and stimulants in FY 72. The total was almost 15 times the 14,366,666 dosage units taken in FY 71.

BNDD has 1,446 special agents and 140 compliance investigators within the country and abroad.

The Office for Drug Abuse Law Enforcement and the Internal Revenue Service are high priority agencies dealing with narcotics traffickers.

The President created DALE by Executive Order on January 28, 1972, as an innovation in the law enforcement campaign against street pushers and narcotics distributors-- "those who would profit from the misery of others."

DALE "task forces" operate in 34 target cities through investigation-prosecution teams which include, altogether, 250 to 350 federal investigators, some 106 attorneys and

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Assistant U.S. Attorneys, and more than 1,000 state and local police officers. Thirty-eight special grand juries have been impaneled to consider indictments. Current grand jury investigations top 1,200.

DALE has made more than 1,000 arrests and identified some 3,000 pushers. DALE operates the HEROIN HOTLINE (800/368-5363) whereby citizens may report information regarding alleged narcotics law violators in strict confidence and toll free. Five thousand Hotline calls have been classed as "valuable."

The Internal Revenue Service has completed the first year of its intensive campaign. Since IRS already has seized \$9.9 million in currency and property, the cash gain to the Government so far is \$2.4 million.

The President reviewed domestic law enforcement progress in FY 72 and summarized: "We started on the 10 yard line and they had the ball. Now, we are on the 50 yard line and we have the ball."

LAW ENFORCEMENT ABROAD

In Europe: The French seized three heroin refining laboratories within one week in July. One of the laboratories produced enough heroin to supply one-fifth of this country's addicts for a year. The three seizures brought to five the French heroin refineries uncovered this year -- a number equalling the five uncovered by French agents in the entire period 1964-71.

European heroin seizures by mid-1972 topped the amount taken during all of 1971. The 1971 European seizures already had increased 300% over those of 1970.

In Southeast Asia: The Royal Government of Thailand burned 26 tons of crude opium -- equal to 2.6 tons of heroin -- turned in by the Chinese Irregular Forces. The Thais agreed, in return, to grant land to the CIF for resettlement. The BNDD regional director and a chemist tested each sack of opium to make certain the product was genuine before it was doused with jet fuel and ignited.

The Thais also have seized 850 pounds of heroin since October 1971. Other seizures were 493 pounds of morphine base (the equivalent of 493 pounds of heroin when refined) and 60,393 pounds of crude opium.

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Since April of this year, the Thais seized narcotics contraband with a U.S. street value of \$347,455,488. But obviously, none of the illicit drugs reached this country.

In Vietnam, heroin became widely available to U.S. servicemen in early 1971. Ambassador Bunker and General Abrams voiced this Government's deep concern to President Thieu. The Vietnamese President replaced the chief of the narcotics bureau of the National Police Force, and expanded the bureau from 26 to 52 agents. Customs inspection was tightened with U.S. cooperation at the Tan Son Nhut airport and at all ports.

Since January 1971, Vietnam has seized 783 pounds of heroin, 40 pounds of opium, 7,828 pounds of marijuana and large quantities of dangerous drugs. Arrests numbered 2,785.

Army Secretary Robert F. Froehlke estimated that, at the height of the problem among servicemen, drug abuse ran as high as 5% to 6% in some units. The Defense Department then inaugurated its urinalysis campaign.

The latest cumulative average of urinalysis tests "clinically confirmed positive" was 1.8% (July 1, 1972).

In the Near East, Turkey has been the major source of heroin, via France, reaching this country. The Turkish Government has agreed to ban cultivation of opium poppies after this year's crop.

Iran is a "victim" of opium smuggled into the country by Afghanistan. The government adopted a tough new anti-narcotics law 1969 providing the death penalty for smugglers. By early 1972, 133 traffickers had been put to death. Iran has seized since last March 21 (the beginning of the Iranian new year) 10 tons of opium along the Iranian-Afghan border.

All foreign aspects of the Administration's anti-drug program are directed by the special Cabinet Committee on International Narcotics Control. The Committee, chaired by Secretary of State William P. Rogers, oversees not only law enforcement, but the gathering of intelligence on illicit opium production and trafficking, and directs anti-narcotics diplomacy. International control efforts have a \$50 million budget.

A major Committee project has been the formulation of "narcotics control action plans" for the 59 nations which

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either produce opium or whose borders are crossed by international smuggling routes. These programs are in an active state of implementation.

THE PROBLEM -- AND RENEWED PRESIDENTIAL ACTION

The President reviewed his program's accomplishments -- and resurveyed the problem. He found that:

New and refined statistical estimates placed the number of heroin users in the country at from 500,000 to 600,000. Abusers of other dangerous drugs, such as amphetamines and barbituates, number far more.

In New York City, drug abuse is the largest single cause of death for persons between 15 and 35 years. Last year, there were 1,259 confirmed drug-related deaths in New York City.

Addicts spend an estimated \$17 million a day on heroin, or \$6 billion a year. The average addict must spend \$30 daily for heroin -- some spend more than \$100. A large majority must turn to crime to support their habits.

The President decided, on the basis of those hard facts, that the Government must increase its anti-drug abuse efforts.

THE PRESIDENT'S EXPANSION PLANS

The resulting White House request to Congress for the \$135.2 million supplemental appropriation included:

	<u>\$millions</u>
Office of National Narcotics Intelligence	2.5
Drug enforcement research & development	5.0
Customs patrol officers and IRS auditors	7.7
Treatment, education & research	120.0

HOW THE MONEY WILL BE SPENT

The Office of National Narcotics Intelligence will provide key information essential to the apprehension of international smugglers and traffickers. The intelligence office will collect narcotics information collected by BNDD, Customs, and other agencies. The Center will provide up-to-date

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analysis and evaluation of the intelligence to enforcement agencies in the form of coordinated action reports. Information also will be furnished state and local enforcement forces.

Drug enforcement research and development projects will be accelerated in fulfilling their assignment to develop new techniques to detect clandestine sites where narcotics are produced and distributed; also for interdicting the traffic of illicit drugs directed to this country.

The requested \$5 million appropriation will approximately double current R & D operations of BNDD, Customs and the Department of Agriculture. Technical manpower will be increased by 50%.

Customs and IRS personnel added to the anti-narcotics drive will number 568. Customs will expand from 532 to 862 its force of patrol officers to provide increased surveillance at entry points, and intensify inspection routines at airports and seaports.

IRS now has 410 agents assigned to drug trafficker tax cases. The additional 238 positions will enable IRS to concentrate Special Agent and Revenue Agent personnel on increasing narcotic traffic targets and support the expanding operations of the Office for Drug Abuse Law Enforcement.

The Special Action Office for Drug Abuse Prevention will receive the major portion of the supplemental appropriation. The new \$120 million will raise to \$328 million the funds available for treatment and rehabilitation in FY 73. The sum is an increase of more than 1,200% over the \$25 million available in FY 69.

SAODAP has already treated at the end of its first year of operation, more patients than the government cared for in the previous 50 years. With the supplemental appropriation, treatment capacity will be available in federally funded, state and local projects at the end of the calendar year to treat and rehabilitate about one-half the country's estimated number of addicts.

SAODAP deals with drug-related crime through a special project entitled TASC -- Treatment Alternative to Street Crime. The plan provides for immediate treatment of drug abusers arrested for certain street crimes.

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SAODAP initiated the National Drug Abuse Training Center in cooperation with other agencies. The Center conducts education and training programs for teachers, medical personnel and laymen engaged in drug abuse centers and projects. SAODAP and the National Institute of Mental Health help medical schools to provide drug abuse training to students. Training included 1,750 persons in 1971. Training capacity is being increased this year to more than 16,000.

Aid to states is provided through new technical assistance in combating drug abuse. SAODAP has teams of professionals to aid communities with special drug abuse problems. The National Clearinghouse for Drug Abuse Information is being expanded to provide information on drug abuse to states, local governments, interested professionals, and individuals with questions. The Clearinghouse now answers more than one million inquiries a year.

Research, evaluation, and support will now be intensified in efforts already under way to develop more effective narcotics antagonists which block the euphoria (the "highs") and subsequent effects of narcotics. Antagonists will be a marked aid in rehabilitation of addicts -- and in abuse prevention. The expanded budget in this vital field is \$105.8 for FY 73. That is 583% more than the total of \$15.5 for FY 69.

CONCLUSION

The stepped-up narcotics abuse prevention program reflects the fact -- and the Administration's recognition of the fact -- that eradication of the scourge of dangerous drugs is a formidable undertaking. It will require a determined, cooperative effort both by governments at all levels and by concerned citizens. President Nixon is leading the fight.

August, 1972

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